2007-05272/

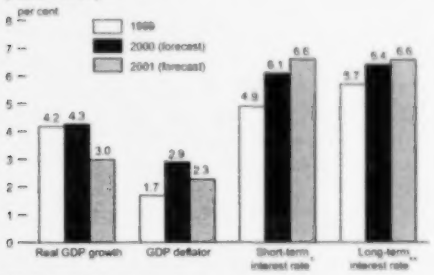
Government of Canada Securities

A Publication of the Department of Finance Canada

September 2000

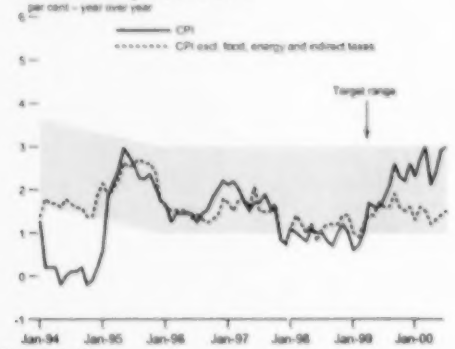
Canadian Economy

OECD economic forecast for Canada
(June 2000)



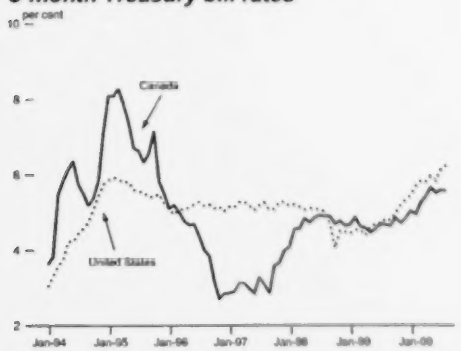
*90-day finance company paper
**Over 10-year federal government bonds
Source: OECD

Consumer price index



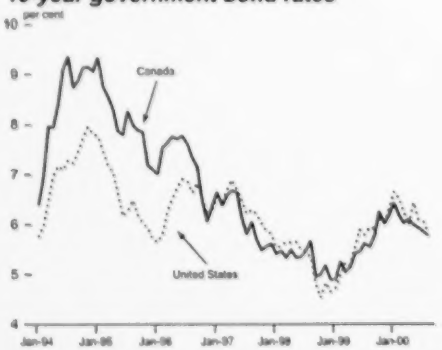
Source: Bank of Canada

3-month Treasury bill rates



Sources: Bank of Canada and Federal Reserve.

10-year government bond rates



Sources: Bank of Canada and Federal Reserve.

Upcoming economic data releases of interest

October	November	December
September Labour Force Survey (October 6)	October Labour Force Survey (November 3)	November Labour Force Survey (December 1)
September CPI (October 20)	October CPI (November 21)	November CPI (December 14)
	2000 Q3 National Accounts (November 30)	

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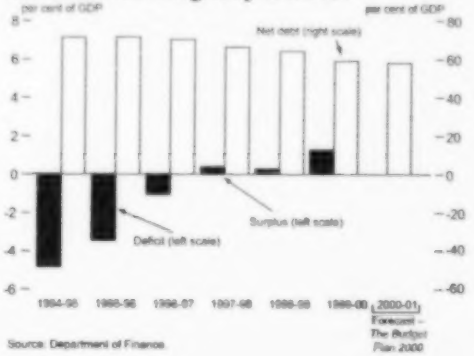
Canadian Economy

Selected Canadian economic statistics

			1999	2000	
	1998	1999	Q4	Q1	Q2
Annualized growth rates					
Real GDP	3.3	4.5	5.1	5.1	4.7
GDP excluding inventories	3.9	4.7	3.0	5.8	4.9
Final domestic demand	2.8	4.4	6.3	5.2	4.8
Employment growth	2.7	2.8	3.5	3.8	1.6
Other					
Unemployment rate	8.3	7.6	7.0	6.8	6.7
Current account balance (per cent of GDP)	-1.8	-0.4	-0.1	1.9	1.4

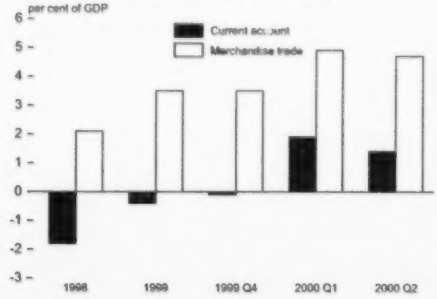
Source: Statistics Canada.

Government of Canada net debt and budgetary balance

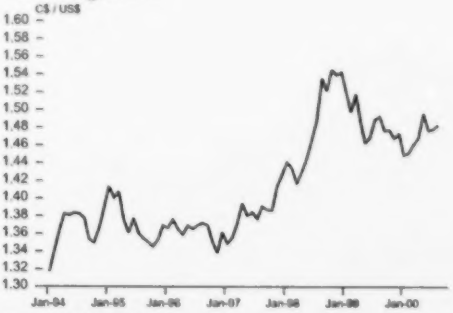


Source: Department of Finance.

Canada's current account balance and merchandise trade balance



Exchange rate

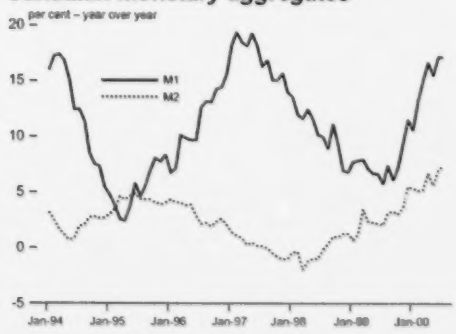


Source: *Bank of Canada Review*.

Monetary conditions index

Source: Bank of Canada.

Canadian monetary aggregates

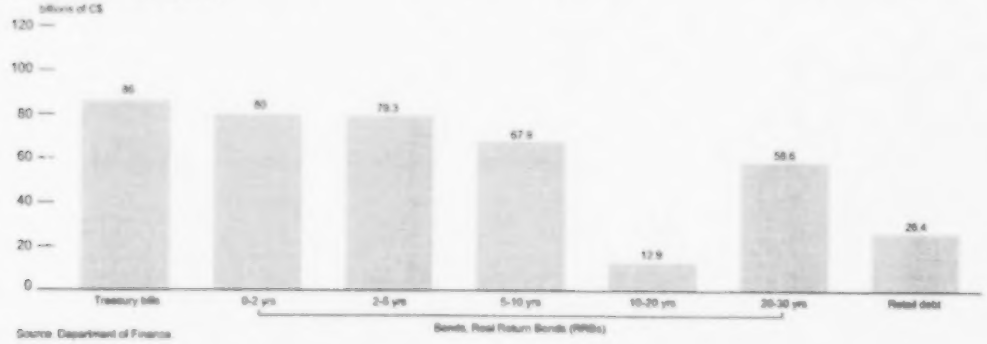


Source: *Bank of Canada Review*.

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt (as of September 6, 2000)



Source: Department of Finance

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
Aug. 30, 2000	30	Dec. 1, 2031	4***	350	106.293	3.66	3.3	n.a.
Aug. 9, 2000	5	Sept. 1, 2005	6	2,700	100.561	5.869	2.5	0.4
June 7, 2000	2	Dec. 1, 2002	6	3,600	99.857	6.065	2.5	0.8
May 31, 2000	30	Dec. 1, 2031	4***	350	103.842	3.79	3.3	n.a.
May 10, 2000	5	Sept. 1, 2005	6	2,800	98.33	6.374	2.5	0.5

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

** Tail is defined as the high accepted yield minus the average yield.

*** RRB

Source: Department of Finance.

Forthcoming Government of Canada bond auctions

Type of issue	Auction date (2000)	Further details of issue (2000)	Dated and delivered (2000)	Amount maturing*
				(millions of dollars)
30-year auction	Oct. 11	Oct. 5	Oct. 16	–
10-year auction	Oct. 25	Oct. 19	Oct. 30	–
5-year auction	Nov. 8	Nov. 2	Nov. 14	–
2-year auction	Nov. 22	Nov. 16	Nov. 24	–
RRB	Dec. 6	Nov. 30	Dec. 11	–

* Maturity of $7,000 million on December 1, 2000.

Note: Two repurchase operations of Government of Canada marketable bonds are planned under the bond repurchase program. One repurchase operation will take place in the 30-year sector and a second in the 5-year sector. Further details will be released on October 5 and November 2, respectively.

Government of Canada Securities

Primary Market

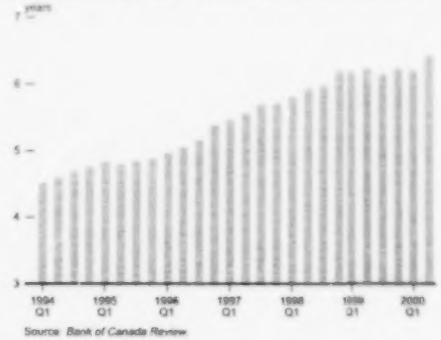
Government of Canada bond market benchmarks (September 7, 2000)

Term	Maturity	Coupon	Amount outstanding	Yield Sept. 7, 2000
		(%)	(millions of dollars)	(%)
Fixed coupon				
2-year	June 1, 2002	5.75	7,200	5.82
5-year	Sept. 1, 2005	6.00	11,100	5.77
10-year	June 1, 2010	5.50	10,400	5.70
30-year	June 1, 2029	5.75	10,100	5.51
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.64

Note: The normal bid-ask spread on these bonds is around 5 cents.

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: *Bank of Canada Review*

Forthcoming Government of Canada marketable bond maturities

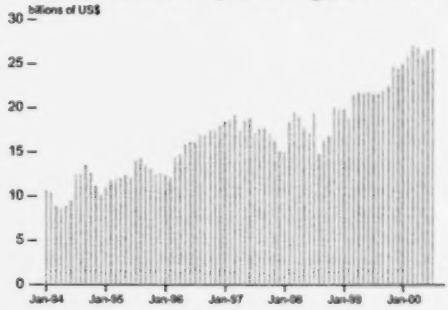
October-December 2000	January-March 2001	April-June 2001	July-September 2001
	(millions of dollars)		
7,500	13,000	11,875	10,600

Outstanding Government of Canada foreign-currency debt (as of August 2000)

	(US$ millions)
Canada Bills	3,464
Canada Notes	663
Outstanding under EMTN program	3,028
6¼% US$ bonds maturing May 30, 2001	1,000
6¼% US$ bonds maturing July 15, 2002	1,000
5¾% US$ bonds maturing February 19, 2003	2,000
6¾% US$ bonds maturing November 30, 2004	2,000
6¾% US$ bonds maturing July 21, 2005	1,500
6¾% US$ bonds maturing August 28, 2006	1,000
6¾% NZ$ bonds maturing October 3, 2007	319
4¾% DM bonds maturing July 7, 2008	2,219
5¼% US$ bonds maturing November 5, 2008	2,500

Source: Department of Finance.

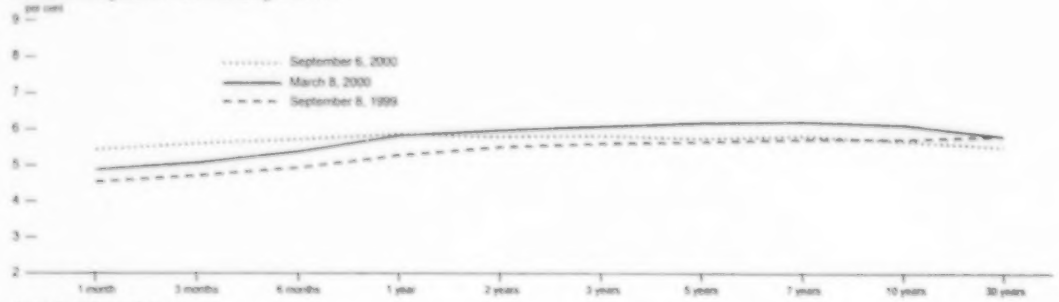
Canada's level of liquid foreign reserves



Source: *Bank of Canada Review*

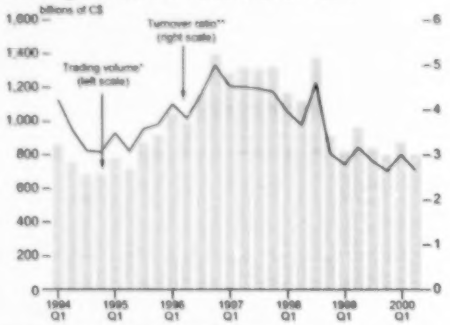
Secondary Market

Canadian yield-to-maturity curve



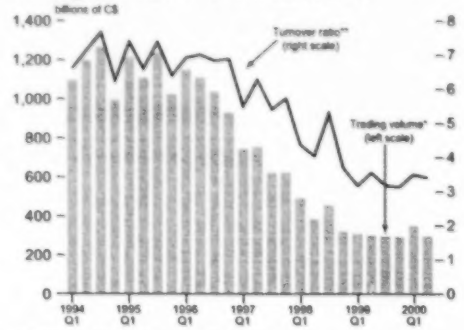
Source: Bank of Canada Review

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada

Government of Canada Treasury bills trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada

Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BLC Securities Inc.
- La Caisse centrale Desjardins du Québec
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
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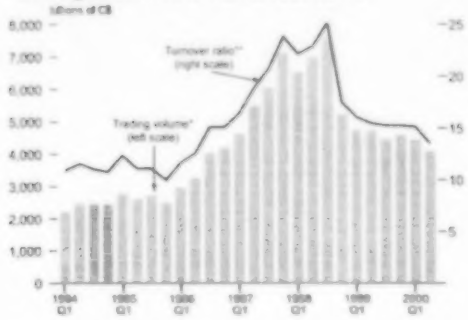
Government of Canada Securities

Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio

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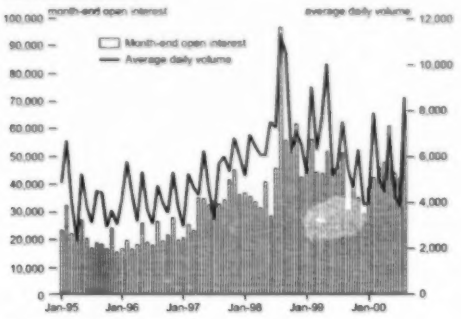
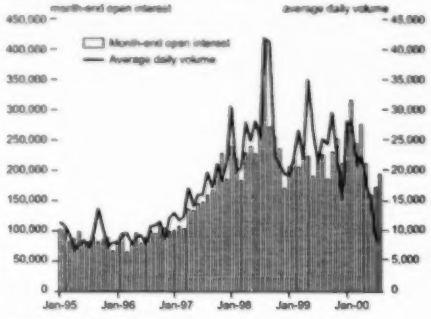
Source: Bank of Canada.

10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Canadian Bond Rating Service Current	Dominion Bond Rating Service Current
Domestic debt	**AAA**	**Aa1**	**AA+**	**AAA**
– Trend	Stable	Stable	Stable	Stable
Foreign debt	**AA+**	**Aa1**	**AA+**	**AA (high)**
– Trend	Stable	Stable	Stable	Stable

This publication is also available on the Internet at http://www.fin.gc.ca/.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of September 8, 2000.
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